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This bill provides that the annual allocation of occupation tax revenue for the mining and regulatory account is set at a minimum of \$1.1 million. Under present law, the amount equals 2.5 cents multiplied by the number of taxable tons of taconite (under the production tax) in the prior calendar year.

Background. Taxable tonnage of 44 million would be required to meet the bill's \$1.1 million minimum. During the last ten years (2006-2016), taxable tonnage has not reached that level. During that period, the highest level reached was for 2013 at 39.6 million taxable tons.

Under the constitution and statute, revenues from the occupation tax are deposited in and credited to the general fund. Forty percent of the revenues must be used for elementary and secondary education and ten percent for the University of Minnesota. The rest of revenues (one-half) are undesignated amounts available for any other general fund purpose.

Effective date: 2018 production year